

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version:	SCS CSHB 76(FIN)
Fiscal Note Number:	3
(S) Publish Date:	5/4/2018

Identifier: HB076CS(FSH)-DCCED-INV-03-30-18
 Title: MARICULTURE REVOLVING LOAN FUND
 Sponsor: ORTIZ
 Requester: (S) Finance

Department: Department of Commerce, Community and
Economic Development
 Appropriation: Investments
 Allocation: Investments
 OMB Component Number: 383

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2019	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2019 Request	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURES	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Personal Services							
Travel							
Services	6.4						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	6.4	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1224 MariculRLF (DGF)	6.4						
Total	6.4	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/19

Why this fiscal note differs from previous version/comments:

Updated to reflect changes in committee substitute; cost of regulation project have been added.

Prepared By:	Britteny Cioni-Haywood, Director	Phone:	(907)465-2625
Division:	Division of Economic Development	Date:	03/30/2018
Approved By:	Catherine Reardon, Director	Date:	03/30/18
Agency:	Division of Administrative Services, DCCED		

REPORTED OUT OF
SFC 05/04/2018

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

CSHB 76(FSH) changes Mariculture Revolving Loan Fund eligibility to allow Alaska residents or entities organized in Alaska to borrow from the loan fund for mariculture farming, mariculture hatcheries, or shellfish enhancement projects.

This bill makes 40% of the fund available, on an annual basis, to be loaned to hatcheries and shellfish enhancement projects up to an aggregate of \$1 million for 30 years for each borrower. It authorizes, from the 40%, one-time \$100,000 grants to nonprofit organizations for planning purposes for a mariculture hatchery or shellfish enhancement project, up to a total one-time grants aggregate of \$500,000 to be paid directly from the Mariculture Revolving Loan Fund through the statutory authority granted under AS 16.10.905(9).

In addition, this legislation authorizes loan funds to be used for vessel purchases by mariculture hatcheries; authorizes hatchery loans to have no interest and no payment for up to 11 years; allows the department to rely on a voluntary assessment for repayment of loans; and adds definitions in statute for "hatchery" and "shellfish enhancement project".

This legislation would create a new loan type and therefore require updated regulations, a new application, training of loan staff, and internal policy and procedure updates. An increase in the operating expenditure authority from the Mariculture Revolving Loan Fund in the amount of \$6.4 would be needed in the first year to cover the costs of the regulations project.